

**CONTRACT REVIEW SLIP**

**RESOURCE DEVELOPMENT BUREAU  
DEPARTMENT OF NATURAL RESOURCES**

**CONTRACT REVIEW ROUTE SLIP**

CONTRACT # RRG-10-1440

Project Sponsor: Flathead County

Project Name: Wastewater Management Working Group

Contact Person: Lindsay Volpe PHONE: 406-444-9766

	<b>Date In</b>	<b>Date Out</b>	<b>Initials</b>
Amy Personette	_____	_____	_____
Alice Stanley	_____	_____	_____
Anna Miller	_____	_____	_____
Ray Beck	_____	_____	_____
CSD	_____	_____	_____
Legal	_____	_____	_____

Return to: \_\_\_\_\_ By: \_\_\_\_\_ ASAP

**COMMENTS:**

List here any changes made to standard statements:

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**Renewable Resource Grant Agreement  
Conservation and Resource Development Division  
Montana Department of Natural Resources and Conservation**

Contract Number: RRG-10-1440

Project Sponsor: Flathead County

Project Name: Flathead Wastewater Management Working Group

**Declarations**

- Section 1. Purpose
- Section 2. Term
- Section 3. DNRC's Role
- Section 4. Project Scope
- Section 5. Project Budget
- Section 6. Availability of Grant Funds
- Section 7. Grant Disbursements
- Section 8. Reports
- Section 9. Records and Audits
- Section 10. Project Monitoring and Access for Inspection and Monitoring
- Section 11. Employment Status and Workers' Compensation
- Section 12. Equal Employment
- Section 13. Indemnity and Liability
- Section 14. Compliance with Applicable Laws
- Section 15. Copyright - Government Right to Use
- Section 16. Failure to Comply
- Section 17. Assignment and Amendment
- Section 18. Montana Law and Venue Section
- Attachment A – Scope of Work
- Attachment B – Budget
- Attachment C – Final Report Requirements and Certificates of Final Completion

**FOR DNRC USE ONLY**

**Maximum amount under this Agreement: \$89,993**

**-Source of Funds -**

**Natural Resource Projects Account**

**Approved**

**Agreement No. RRG-10-1440**

**Amendment No.**

**Accounting Entity Name**

Natural Resource Projects Account

**Fund**

02577

**Division**

**C.S.D**

**Subclass**

54016

**ORG**

3410153

**Percent**

100%

**Legal**

**Appropriation Authority - 61<sup>th</sup> Legislature/2009 H.B. 6**

**Workers Comp:   ✓   N/A           Attached           Exempt           Will be forwarded**

**MONTANA RENEWABLE RESOURCE GRANT AGREEMENT**

**THIS GRANT**, approved, appropriated, and awarded by the Montana Legislature and administered by the Montana Department of Natural Resources and Conservation (DNRC) is consistent with the policies, procedures and objectives of the Montana Renewable Resource Grant and Loan Program (MCA Title 85, Chapter 1, Part 6) for the enhancement of Montana's renewable natural resources. This grant is accepted by Harlowton, town of, hereinafter referred to as the Project Sponsor (81-6001361) and represented by Joe Brenneman, 800 S Main Street, Kalispell, MT 59001, 406-758-5503, according to the following terms and conditions:

**SECTION 1. PURPOSE.** The purpose of this Agreement is to establish a mutually agreeable terms and conditions, specifications, and requirements to grant funds to the Project Sponsor for the Flathead Regional Wastewater Management Group (FRWMG) to develop a basin wide plan which clearly identifies the existing sewage treatment resources and develops water quality resource protection in the Flathead basin.

**SECTION 2. TERM.** The Project Sponsor shall have until December 2010 to complete the project and work described in Section 4, Project Scope. DNRC may grant an extension for completion upon request and showing of good cause by the Project Sponsor. A request for extension must be submitted 45 days prior to the termination date if an extension is to be considered by DNRC.

**SECTION 3. DNRC's ROLE.** DNRC is administering funds awarded by the legislature to ensure that the funds are used according to the intent of the legislature and the purposes, objectives, and procedures of the Renewable Resource Grant and Loan Program. Upon request from the Project Sponsor or its agent, DNRC will explain or clarify the terms and conditions of this Agreement award and may provide limited technical assistance. DNRC will monitor project expenditures to assure payment eligibility. DNRC assumes no responsibility for the Project Sponsor's obligation to faithfully perform the tasks and activities necessary to

implement and complete a project. The Project Sponsor should contact DNRC's liaison Lindsay Volpe at 406-444-9766, PO Box 201601, Helena, MT 59601. All requests for information and assistance shall be submitted to DNRC's liaison/designee.

SECTION 4. PROJECT SCOPE. The Project Sponsor shall use funds provided under this Agreement to complete the FRWMG project goals. The scope of work for this project is attached to this contract as Attachment A and incorporated herein by this reference.

Subsection 4.1 Supporting documents/attachments:

- RRGL Grant Application, dated May 2008

SECTION 5. PROJECT BUDGET. A project budget showing anticipated expenditures in the categories of administration and professional/technical services for each task and matching funds is provided in Attachment B and incorporated herein by this reference. A transfer of funds between budget categories in an amount exceeding 20 percent of the total grant amount must have prior written approval of DNRC.

SECTION 6. AVAILABILITY OF GRANT FUNDS. The Project Sponsor acknowledges and understands that grant funds become available through earnings from certain natural resource based taxes deposited in the natural resources projects state special revenue account. Renewable Resource Grant and Loan Program funds will be released to the extent they are available and in the order of project priority approved by the Legislature. Costs incurred prior to this Agreement are not eligible for reimbursement but may be counted as match funds upon written approval by DNRC. DNRC may consider an expenditure to be an emergency if it is necessary to protect the imminent loss of life or property; to prevent significant imminent environmental damage; or to prevent the physical failure of a system.

SECTION 7. GRANT DISBURSEMENTS. The Project Sponsor shall submit claims for grant funds to the DNRC liaison. Receipts, vendor invoices, inspection certificates and other documentation of costs incurred shall be submitted with the claims. DNRC will verify the claims and check them against the Reports required in Section 8 and the Budget provided in Section 5. DNRC will disburse grant funds to the Project Sponsor upon approval. Reimbursement of Project Sponsor expenditures will only be made for expenses included in the Budget provided in Section 5 and that are clearly and accurately supported by the Project Sponsor's quarterly reports. In addition, DNRC may withhold 10 percent of the total authorized grant amount until all the tasks outlined in Section 4 and the Final Report required by Section 8 are completed and approved by DNRC. Total payment for all purposes under this Agreement shall not exceed \$100,000.

No DNRC grant funds will be made available for this project until all co-sponsors matching grant and loan funds have been committed to the project. The Project Sponsor prior to any grant funds being disbursed must provide documentation of these commitments to the Department.

Reimbursement requests for work performed during the term of this Agreement must be submitted to the DNRC liaison within 90 calendar days after expiration of this Agreement to receive payment.

**SECTION 8. REPORTS.** Quarterly progress reports for the periods ending each March, June, September and December shall be submitted to the DNRC liaison during the term of the Agreement. Reports will provide status information for each project implementation objective. Status information will include, at a minimum, activities conducted, the percent complete, costs incurred, funds remaining, and projected completion date. The Project Sponsor shall report on total project costs including those funded by the Project Sponsor and other matching funds. Significant problems encountered shall be noted and necessary scope and/or time line modifications requested.

Quarterly reports must be submitted to the DNRC liaison within 15 calendar days following the close of the quarterly period. No claims for disbursements will be honored if the quarterly report has not been approved or if there is a delinquent report.

Pictures of the project, before construction, during construction and after construction shall be provided to DNRC for use in publicity and reporting. The state shall have a royalty-free, non-exclusive, and irrevocable right to reproduce, publish, or otherwise use any photographic materials submitted to DNRC during performance of this Agreement (including any before and after project pictures) as provided in **Section 15 . COPYRIGHT - GOVERNMENT RIGHT TO USE**. Project Sponsor shall acquire any release(s) necessary for such right. Copies of photographic materials submitted to the DNRC are the property of DNRC and will not be returned.

One hard copy and one electronic copy (in pdf format) of the Final Report will be submitted to the DNRC liaison for approval upon project completion. Final disbursement of grant funds is contingent upon DNRC receipt and approval of the Final Report. Information required in the Final Report is presented in Attachment C.

**SECTION 9. RECORDS AND AUDITS.** The Project Sponsor will maintain appropriate and adequate records showing complete entries of all receipts, disbursements and other transactions relating to the project. DNRC, the Legislative Audit Division, or the Legislative Fiscal Division may, at any reasonable time, audit all records, reports, and other documents that the Project Sponsor maintains under or in the course of this Agreement to ensure compliance with its terms and conditions.

**SECTION 10. PROJECT MONITORING AND ACCESS FOR INSPECTION AND MONITORING.** DNRC or its agents may monitor and inspect all phases and aspects of the Project Sponsor's performance to determine compliance with Section 4.0, Project Scope, and other technical and administrative requirements in this Agreement, including the adequacy of records and accounts. DNRC may present specific areas of concern to the Project Sponsor providing the Project Sponsor the opportunity to better accomplish the goals and objectives of the Agreement and conditions of this Agreement.

Because this grant is from public funds, public access to the project site and project records must be available. The Project Sponsor shall accommodate requests for public access to the site and records with due consideration for safety, private property rights, and convenience of everyone involved.

SECTION 11. EMPLOYMENT STATUS AND WORKER'S COMPENSATION. The project is for the benefit of the Project Sponsor. DNRC is not an owner or general contractor for the project and DNRC does not control the work activities or work-site of the Project Sponsor or any contractors that might be engaged for completion of the project. The Project Sponsor is independent from and is not an employee, officer or agent of DNRC. The Project Sponsor, its employees and contractors are not covered by the Workers' Compensation laws applicable to DNRC as an employer. The Project Sponsor is responsible for making sure that its employees are covered by Workers' Compensation Insurance and that its contractors are in compliance with the coverage provisions of the Workers' Compensation Act.

The Project Sponsor is independent, is not an employee of the State of Montana or of DNRC, and is not covered by the Workers' Compensation laws applicable to DNRC as an employer. The Project Sponsor must acquire Workers' Compensation coverage or the appropriate exemption.

SECTION 12. EQUAL EMPLOYMENT. Any hiring of employees under this Agreement shall be on the basis of merit and qualifications, and there shall be no discrimination on the basis of race, color, religion, creed, sex, national origin, age, disability, marital status, or political belief. "Qualifications" mean qualifications as are generally related to competent performance of the particular occupational task.

SECTION 13. INDEMNITY AND LIABILITY. The Project Sponsor shall defend, indemnify and hold harmless DNRC and the State of Montana and its agents from and against any and all claims, demands, or actions for damages to property or injury to persons or other damages to persons or entities arising out of or resulting from the performance of the work or services funded by this Agreement. This Agreement is not intended to relieve a liable party of financial or legal responsibility.

SECTION 14. COMPLIANCE WITH APPLICABLE LAWS. All work must be in accordance with all federal, state and local law, statutes, rules and ordinances. It shall be the Project Sponsor's responsibility to obtain all permits, licenses or authorizations that might be required from government authorities for completion of the project. Procurement of labor, services, supplies, materials, and equipment shall be conducted according to applicable federal, state, and local statutes. This Agreement should not be taken to imply that any permits, or authorizations issued by DNRC or other state agency will be approved.

SECTION 15. COPYRIGHT - GOVERNMENT RIGHT TO USE. Any graphic or photographic material developed under this Agreement may be copyrighted with the proviso that the State of Montana will have a royalty-free, nonexclusive, and irrevocable right to produce, publish or otherwise use, and authorize others to use the work for state government purposes.

SECTION 16. FAILURE TO COMPLY. If the Project Sponsor fails to comply with the terms and conditions of this Agreement, or reasonable directives or orders from DNRC, DNRC may terminate the Agreement and refuse disbursement of any additional funds under the Agreement. Such termination will become a consideration in any future application for grants from the Renewable Resource Grant and Loan Program.

SECTION 17. ASSIGNMENT AND AMENDMENT. This Agreement is not assignable. Amendment may be accomplished only by express written Agreement of the parties. Amendments will be attached as an integral component of the grant.

SECTION 18. MONTANA LAW AND VENUE. Any action or judicial proceeding for enforcement of the terms of this Agreement shall be instituted only in the courts of Montana and shall be governed by the laws of Montana. Venue shall be in the First Judicial District, Lewis and Clark County, Montana.

The Project Sponsor hereby accepts this Agreement according to the above terms and conditions.

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Project Sponsor

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Date

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DNRC

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Date

## **Attachment A–Scope of Work**

**Background:** The Flathead Lake Watershed has experienced considerable population growth resulting in new commercial and residential development throughout the basin. Basin growth planning and permitting is controlled by the state of Montana, two counties, several cities and towns and the Confederated Salish and Kootenai Tribe. Because multiple governmental entities each have limited authority, there has been no comprehensive basin-wide effort for wastewater inventory and management. The goal of the proposed wastewater management group is to create a formal forum and structure for all stakeholders to understand how wastewater is managed throughout the basin and develop recommendations for a basin-wide approach for wastewater management especially in areas experiencing high growth rates.

**Scope of Work:** To address the above listed deficiencies, the following scope of work is the object of this grant and consists of development of a wastewater management group of the Flathead Basin. Development of the management group will consist of the following work items:

- Identify sewer service planning areas,
- Provide coordination between sewer service entities,
- Provide coordination between planning board and elected officials regarding proposed developments,
- Aid in compliance of pending TMDL study and wastewater discharge permits on the Flathead Lake,
- Provide technical understanding of on-site sewage treatment system contributions,
- And, create watershed approach to wastewater management

**Schedule:** The project should begin in Fourth Quarter of 2009 with a draft scope of work submitted to the DNRC by (month) January 2010 and a final uniform application submitted by May 2010 and a final report submitted by the Third Quarter of 2011.



## Attachment B–Estimated Budget

	DNRC Grant	Match Funding	Total
<b>Administration</b>	\$ 10,290	\$ 5,514	\$ 15,804
<b>Professional/Technical</b>	\$ 79,673	\$ 18,000	\$ 97,673
<b>Construction</b>			
Preliminary Engineering	\$	\$	\$
Construction Engineering	\$	\$	\$
Construction	\$	\$	\$
Contingency	\$	\$	\$
<b>Total</b>	<b>\$ 89,963</b>	<b>\$ 23,514</b>	<b>\$113,477</b>

### Summary of Matching Funds

Project Sponsor	\$ 23,514
<b>Total</b>	<b>\$ 23,514</b>

## **Attachment C-Final Report Information Requirements**

### **1. Title Page:**

- A. Grantee's name, address and telephone numbers.
- B. RRGL contract number
- C. Name, address, and telephone numbers of others who may be contacted concerning the project if the primary contacts are not available.
- D. Funding: total project cost and amount of grant.

### **2. Introduction:**

Describe the project history, project location and the purpose of the project. Provide a map showing project location.

### **3. Discussion and Results:**

- A. Document that the project goals and/or objectives and tasks identified in the contract Agreement were completed:
  - Describe how each task listed in the contracted scope of work was accomplished. Provide details (for example, if trees were planted as an erosion control measure, state how many, the tree species, the age or size of trees, and location of the plantings).
  - List the goals and/or objectives of the project as stated in the scope of work and briefly describe how they were met by the activities described in the tasks above.
  - Provide an explanation for contracted tasks that were not completed.
  - Describe any out of scope work.

The Final Report should adequately demonstrate that the contracted scope of work has been completed. The Report must identify approved scope changes and include an explanation for project tasks that were not completed.

- B. Summarize any problems encountered and solutions adopted. What would you do differently?

### **4. Public Benefits:**

List the anticipated overall public benefits of the project as stated in the grant application. Were these benefits realized? If not, explain why.

### **5. Grant Administration & Project Costs**

- A. Budget: Include a summary of how the monies were spent by budget category and source of funding. Attach supporting information that shows hourly rates and number of hours expended per task for all labor by the project sponsor and all non-fixed-price contracted labor. Explain any cost overruns or savings. Discuss any unbudgeted expenses that arose over the course of the project.
- B. Identify the matching funds that were to be spent according to the Grant Agreement. Document that these funds were spent. If not all matching funds were spent, explain why.

### **6. Project Completion and Certification** (provide only the applicable information below for your project)

- A. Project Sponsor's Certificate of Compliance.
- B. As Built Drawings if requested by the Department
- C. Engineer's Statement of Final Completion (if applicable)

FINAL REPORT  
STATEMENT OF COMPLETION

Project Sponsor: \_\_\_\_\_

Name of Project: \_\_\_\_\_

I, \_\_\_\_\_, (enter name of Project Engineer) a Registered Professional Engineer in the State of Montana, license number \_\_\_\_\_, do hereby state that the above-named project was completed according to the approved plans and specifications. I further state that the record ("as-built") drawings for this project are a true and accurate representation of the completed construction.

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(P.E. Number)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Name of firm)

\_\_\_\_\_  
(Address of firm)

FINAL REPORT  
CERTIFICATE OF COMPLIANCE

Project Sponsor: \_\_\_\_\_

Name of Project: \_\_\_\_\_

I, the undersigned, being duly qualified, respectfully, of the  
(Name of Sponsor), in the County of \_\_\_\_\_, State of Montana, do  
hereby certify that the above-named project is in full compliance with all of the covenants and  
conditions set forth in Grant Agreement Number \_\_\_\_\_ between the  
(Name of Sponsor) and the State of Montana, Department of Natural Resources and  
Conservation.

\_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_  
(Date)